

Appointment of UN Development Program Administrator

248. Memorandum From Michael J. Deutch to the Assistant Secretary of State for International Organization Affairs (De Palma)¹

Washington, October 7, 1970.

SUBJECT

UNDP

1. In the course of my private consulting engineering practice and various missions for the International Lending Institutions and *UNDP*, I had the opportunity to observe the potential and the weaknesses of UNDP. Paul Hoffman's advanced age, the probable departure of at least one US deputy and of the talented French assistant director may result in an attempt by the Indians or Pakistanis to take over the Directorship of UNDP.

2. With US-AID in disarray and multilateral project development being limited to the borrowing resources of IBRD, the USG would be well advised to insist that a talented American—preferably well known to the President—promptly replace Mr. Hoffman and attempt to stream-line UNDP, reorient its priorities towards areas where US management and technology can be applied realistically and efficiently. Some of the statistical, administrative and long-term research of UNDP duplicate those of UN's technical departments and the specialized international organizations—UNDP could shed those easily.

3. UNDP has its own resources and is *relatively* immune to the political pull and haul of the Secretariat; its rejuvenation would be acceptable at this time. From the point of view of the SG, there is much to be done to bolster the regional project planning in such fields as improving power utilization, fuel supply, exploration for natural resources, food technology, etc.

US bilateral aid will have to keep a low profile and multilateral project financing on a large scale may have to await liquidity im-

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 299, Agency Files, USUN, Vol. V. No classification marking. An attached memorandum of acknowledgment from De Palma is also dated October 7. In an attached memorandum dated October 24, Winston Lord of the NSC staff called on Fred Bergsten and Marshall Wright to prepare a memorandum for Kissinger about the role of the UNDP, its strengths and weaknesses, the succession question, and recommended actions.

provement in the middle '70's. This Administration could accomplish much in the post-Vietnam period through the channel of a revitalized UNDP if a younger and talented man from the administration's ranks promptly took hold of UNDP and proceeded to stream-line it.

4. Being privy to the table of organization and the varied activities of UNDP I am convinced that it is an appropriate vehicle for the Administration's participation in selective development planning during the next couple of years (when we may have to pull in our horns in the vast complex of international organizations, until multilateral aid is sufficiently funded by others, and still may wish to have some accomplishment in the most viable areas). Last but not least even for post-war Indochina, UNDP may be more readily useful than ADB. There are other "vital trouble spots" where a competently—and discreetly—US directed UNDP may be very useful.

If and when a decision is taken I would like to brief the new director general in technical detail.

M.J.D.²

² Printed from a copy that bears these typed initials.

249. Memorandum From the President's Deputy Assistant for National Security Affairs (Haig) to the President's Assistant for National Security Affairs (Kissinger)¹

Washington, November 14, 1970.

SUBJECT

UNDP Job

I talked to Fred Bergsten in an effort to solicit some additional ideas for the UNDP position. As you know, Marshall Wright was pushing Graham Martin. Fred Bergsten said that Anthony M. Solomon is the most highly qualified candidate, but unfortunately he was a member of the last Administration for a short period and is a Democrat. Fred also mentioned the possibility of David Rockefeller (who I think will turn it down) or Chuck Percy (who I think will suspect he is being

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 299, Agency Files, USUN, Vol. V. No classification marking.

offered the job so that we can replace him with a more Senatorial candidate. This ploy might be much too obvious and I also think Percy might be a troublesome appointment in any event.)

My own instinct suggests that we might absorb some of our better Congressional or Gubernatorial losers, perhaps even Bush of Texas who seems to be an outstanding fellow with a considerable potential future as a Republican leader. Another possibility might be a defeated candidate such as Ray Broderick of Pennsylvania who is an excellent lawyer and outstanding individual. Appointments of this kind favor a high degree of background, but I have yet to see one of these jobs that requires more than solid philosophical views and firm loyalty as well as ingrained intelligence.

If you would like, I can ask Flemming to come up with a good candidate although I suspect he would tend toward political hacks.²

² Kissinger checked the “Yes” option, and drew a line from the end of the first sentence to the bottom of the page, where he added the handwritten note: “Pres likes Rudolf Petersen.”

250. Memorandum From the President’s Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, undated.

SUBJECT

The Problem of Paul Hoffman and the UNDP

The UNDP (United Nations Development Program) is the UN instrument for handling multilateral economic assistance to developing countries. Its health and vigor, therefore, is of great potential importance to us as we multilateralize our development assistance, although it is now much less important than the World Bank and some other international financial institutions.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 299, Agency Files, USUN, Vol. V. Secret; Nodis. Sent for action. A handwritten note reads: “Orig. ret’d to Wright—11/25.” An attached covering memorandum from Marshall Wright to Kissinger, dated November 17, recommended Graham Martin for the position, and was submitted with another memorandum from Peter Flanigan to President Nixon, dated November 20, that reported that Senator Percy might be persuaded to take the post if he were assured that another Republican from Illinois would be appointed to fill his Senate seat.

Paul Hoffman has been the head of the UNDP since it was founded. He is now 79 years old, and there has been widespread hope that Hoffman would step down gracefully and in glory when his term ends in December.

Hoffman is determined, however, to stay on until he has completed the important reorganization of UNDP now afoot and Secretary General U Thant has informed us that he will shortly reappoint Hoffman for another one-year term.

Hoffman's reappointment will be the source of general disappointment, but nobody wants to end his long public service on a sour note. His reappointment will therefore probably be accepted without overt opposition.

However, the maneuvering to replace Hoffman is already well underway. Deputy UN Secretary General Narasimhan hungers for the job, and is moving actively and deftly to line up support. Narasimhan is a devious character, and if he succeeded Hoffman, it would be a grievous blow to US interests.

If we are going to go multilateral with our aid, it is essential that the head of the UNDP continue to be an American in order to facilitate Congressional support for the program. It is, however, by no means certain that we will succeed. The Secretary General has complete discretion to name the UNDP Chief, and there will be considerable international sentiment for naming someone other than an American.

To get our candidate appointed, we will need broad international support. To get that support, we will have to have a candidate of stature and proven administrative ability. He will not only need to be overwhelmingly qualified, but to be internationally recognized as such. A lesser-known figure, however deserving and competent, would probably not make it, and the job would go to a non-American, possibly Narasimhan.

On the other hand, if we put forward now a well qualified American candidate we should be able to obtain U Thant's support and to discourage other candidacies. Finally, the next few months will see basic decisions taken on the reorganization of the UNDP and the filling of some key executive positions therein. It is obviously desirable that Hoffman's replacement be identified so that he can work with Hoffman in making these decisions.

In short, there is an overwhelming need to select without delay the man we want to succeed Paul Hoffman.

I have two candidates to suggest for your consideration.

1. *Anthony Solomon*. Solomon is young (about 50), extremely vigorous, a first-class administrator, businessman, and economist. He is now President of the International Investment Corporation for Yugoslavia, a World Bank-sponsored consortium of US and European

firms promoting private foreign investment in Yugoslavia, and was outstanding as Assistant Secretary of State for Economic Affairs in the previous Administration. He is a self-made millionaire, and a tough, no-nonsense operator who earned an excellent reputation on Capitol Hill which would stand him in good stead in seeking Congressional appropriations for the UNDP. Solomon also stands very high with the US business community, both because of his own background and because he negotiated the voluntary restraint agreements on steel imports in 1968. Solomon is a nominal Democrat, but not active, nor has he engaged in activities or taken positions that would make his political affiliation a problem.²

2. *Charles Percy.* Senator Percy would certainly be a surprise candidate, and I offer his name very tentatively for your consideration. He has the right kind of image (young, vigorous, sympathetic to developing countries), and his administrative experience in business and knowledge of Capitol Hill would be relevant to two of the UNDP's major needs. He would, in addition, have the kind of "high visibility" which is desirable in a UNDP Administrator. I have, of course, no idea whether Percy would have any interest in leaving the Senate for this job, or whether you would be interested in the legislative implications of his departure. Peter Flanigan, however, agreed that the idea should be broached to you, and will be sending you a separate memo on the subject.

Whomever you select, it is important that he be selected soon and that we proceed without delay to insure his successful candidacy. I am for Anthony Solomon.

Recommendation:

1. That you authorize us to put Anthony Solomon forward as the official US candidate to replace Paul Hoffman as Administrator of the UNDP.
2. Prefer to sound out Percy
3. Give me more names³

² An attached but not printed memorandum from C. Fred Bergsten to Kissinger, dated November 18, recommended Solomon for the post. Another attached memorandum, from Marshall Wright to Kissinger, dated November 19, expressed doubts about whether Solomon had the stature or international reputation for the post and about submitting the nomination of even a nominal Democrat to President Nixon.

³ None of the options is checked.

**251. Letter From the Representative to the United Nations (Yost)
to Secretary of State Rogers¹**

New York, January 12, 1971.

Dear Bill:

I am enclosing a copy of a letter in regard to the tenure of the UNDP Administrator which the Secretary General handed me personally yesterday. This is of course a reply to my letter of December 1, a copy of which is also enclosed and which under instructions from the Department I informed him that we would be submitting the names of one or more qualified nominees to succeed Paul Hoffman.²

I believe that the Secretary General's letter stems from the fact that Paul has been disturbed by our intention to nominate his successor in the near future. U Thant told me yesterday that it is his understanding that Paul does not intend to ask for a further extension after this year and indeed that he is still inclined to retire in August or September. On the other hand, he is disturbed that discussion of his early departure and of a successor in the near future will put him in the lame duck category and lessen his ability to carry forward over coming months the reforms which the Jackson Report and the UNDP Governing Council have recommended.

We should, I agree, take account of Paul's sensibilities and not do anything which would jeopardize the success of his work during the next 6 or 8 months. On the other hand, I continue to believe that we should proceed rapidly in our search for a successor who would hopefully meet the criteria laid down in the second numbered paragraph of U Thant's letter and whose availability could be discussed informally with the Secretary General at any time. We could decide later when it might be appropriate to put the nomination forward formally.

Sincerely,

Charles W. Yost³

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. Confidential.

² Both letters are attached but not printed. The Secretary-General's January 11 letter expressed his concern that an announcement regarding a successor to Paul Hoffman might affect his efforts to restructure the UNDP. Yost's letter acknowledged an earlier letter of November 6, 1970, in which U Thant expressed his intention to offer Hoffman an extension of his term of office for one year, effective January 1, 1971.

³ Printed from a copy that bears this typed signature.

252. Memorandum From Secretary of State Rogers to President Nixon¹

Washington, January 13, 1971.

SUBJECT

Mr. Paul Hoffman's Request for an Appointment with You

Recommendation:

I recommend that you see Mr. Hoffman, Administrator of the United Nations Development Program, in order to stress that the selection of a well-qualified American successor is of crucial importance to U.S. interests and to U.S. support for the UN Development Program.

You may wish to point out that we have delayed proposing a successor while awaiting his decision about another term. Since we now understand he may retire by July 1971, you hope to be in a position to propose a successor soon with whom Mr. Hoffman would be able to discuss personnel and organizational problems and thereby facilitate the transition.

You may want to make clear that the United States greatly values the outstanding contribution he has made as Administrator.

Discussion:

We understand that Mr. Hoffman is seeking an appointment with you and may protest any action to propose his successor while he is still in office.

Ambassadors Phillips and Olds of our Mission to the United Nations called on Mr. Hoffman December 11 under instructions from the Department to discuss several matters, including the campaign undertaken by C. V. Narasimhan (Indian member of the Secretariat who serves simultaneously as Hoffman's deputy and U Thant's Chef de Cabinet and who possesses an inordinate vanity and appetite for power) to insure that he succeeds Hoffman. Phillips and Olds pointed out we have solid evidence that Narasimhan has been soliciting support for his candidacy in Europe and the Far East, and that he has also been recommending appointments in UNDP which would provide him with a power base in the organization.

Hoffman was greatly distressed at this overt discussion of his succession and seemed disturbed by the report of Narasimhan's tactics.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. Confidential.

Hoffman indicated he was unhappy that the U.S. Government was talking about his successor at this time and said it would be extremely unfortunate for the UNDP if the selection of his successor was pursued before he was ready to retire.

Mr. Hoffman's intentions about his own future with the UNDP are still unknown. His contract has been renewed by U Thant until January 1, 1972, but, although he has never informed us directly of his intentions we have been told that the Secretary General understands Hoffman plans to retire in July 1971. He has indicated that he would like to be succeeded by David Morse, former head of the ILO, on an interim basis at some time in the future. We oppose Morse because of his age and his specialized agency orientation, which the UNDP must counter if it is to achieve the effectiveness we and other major donors desire.

Hoffman's advanced age (79) and the major role of UNDP in multilateral economic development make it essential that a capable successor take over the Program at an early date. His sensitivity on the subject of his retirement has made this problem worse. The growing resentment among other delegations on the UNDP Governing Council at the elderly "set-in-their-ways" leadership of UNDP may soon reach such proportions as to lead to their public repudiation of Mr. Hoffman, despite their admiration for the outstanding job he has done over the years in developing the UNDP. Such resentment might also lead to suggestions for the appointment of a non-American as Administrator, even though most major donors believe an American should hold the post.

It is also possible that Hoffman might resign immediately in pique if he feels he is being badly treated. His resignation now would probably result in the appointment of Narasimhan as Acting Administrator and his use of the next six to twelve months to stack UNDP with his own men.

William P. Rogers

253. Memorandum From the President's Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, January 27, 1971.

SUBJECT

The Problem of Paul Hoffman and the UNDP

The UNDP (United Nations Development Program) is the UN instrument for handling multilateral economic assistance to developing countries. Its health and vigor, therefore, is of great potential importance to us, although it is now much less important than the World Bank, and some other international financial institutions.

Paul Hoffman has been the head of the UNDP since it was founded. He is now 79 years old, and there had been widespread hope that Hoffman would step down gracefully and in glory when his term ended in December.

Hoffman is determined, however, to stay on until he has completed the important reorganization of UNDP now afoot and Secretary General U Thant has reappointed Hoffman for another one-year term. (There is, however, hope that Hoffman will step down in July or August.)

Hoffman's reappointment is the source of general disappointment, but will be accepted without overt opposition in view of the fact that nobody wants to end his long public service on a sour note.

Hoffman is very sensitive about being replaced, and is irritated at the speculation as to his probable successor. There is, of course, no way to stop such speculation, and we cannot, in our own interests, any longer delay the process of tying down the job for an American successor.

The maneuvering to replace Hoffman is already well underway. Deputy UN Secretary General Narasimhan hungers for the job, and is moving actively and deftly to line up support. Narasimhan is a devious character, and if he succeeded Hoffman, it would be a grievous blow to U.S. interests.

If we are going to go multilateral with our aid, it is essential that the head of the UNDP continue to be an American in order to facilitate Congressional support for the program. It is, however, by no means certain that we will succeed. The Secretary General has complete discretion

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. Secret; Nodis. Sent for action. "The President has seen" is stamped on the memorandum.

to name the UNDP Chief, and there will be considerable international sentiment for naming someone other than an American.

To get our candidate appointed, we will need broad international support. To get that support, we will have to have a candidate of stature and proven administrative ability. He will not only need to be overwhelmingly qualified, but to be internationally recognized as such. A lesser-known figure, however deserving and competent, would probably not make it, and the job would go to a non-American, possibly Narasimhan.

On the other hand, if we start now, we should be able to obtain U Thant's support and that of other leading nations in the UNDP. Both U Thant and the British have indicated that they will support a qualified American candidate—but both have stressed the word "qualified". The next month or so will see basic decisions taken on the reorganization of the UNDP and the filling of some key executive positions therein. It is obviously desirable that Hoffman's replacement be identified so that he can work with Hoffman in making these decisions.

In short, there is an overwhelming need to select without delay the man we want to succeed Paul Hoffman.

I have four names to suggest for your consideration. We have no idea of the availability of the last three.

1. *Graham Martin*. Martin has had extensive experience in the development work starting with the Federal Security Administration in pre-World War II days and including significant roles in the Marshall Plan, the U.S. Economic Assistance Program, and the Alliance for Progress. In Thailand, he did an outstanding job of tailoring our AID program to outside sources of assistance and in stimulating widespread interest in Southeast Asia regionalism. Martin knows international organizations (he was our Ambassador to the European Office of the UN and U.S. Representative to the 21st Conference of the International Red Cross) and his various activities should insure widespread international sympathy for his candidacy. Martin is the kind of person who could bend the UNDP to his will and make the thing begin to function well. In short, I think he could win the job—and I think he could do the job.

The only argument against Martin is that he has an important task in Rome. However, it will be easier to find someone to do Rome than to find someone equally qualified for the UNDP. Martin is interested in the UNDP job and would take it gladly if—but only if—you preferred to have him there rather than in Rome. Martin and McNamara have had their troubles in the past, but I think we can count upon that personality conflict resolving itself into "creative tension".

2. *Rudy Peterson*. Peterson's fatherhood of the study recommending the multilateralization of American economic aid would make him a logical and sympathetic candidate for this job.

3. *Franklin Murphy*. Murphy's administrative experience and reputation as a person who enjoys your personal confidence should make him a viable candidate.

4. *Tom Killefer*. Killefer is now an executive with Chrysler, and was previously Vice President of the Export Import Bank and U.S. Executive Director of the Inter-American Bank. His experiences, therefore, directly relate to the UNDP function. He is by far the youngest of the names we are suggesting, an asset in view of the present dissatisfaction with Hoffman. Maury Stans' office has checked Killefer out and gives him high marks both on political and professional grounds.

Whoever we select, it is essential that we consult with U Thant and our allies quietly on the selection before we make any public announcements. U Thant and the British have specifically asked for such consultations. Others expect it. If we meet these expectations, it will greatly enhance the likelihood of our candidate's success.

George Bush vigorously concurs with this memo. I am attaching at Tab A a brief note from George to a member of my staff which shows the importance and the urgency with which he views this problem.² Peter Flanigan also concurs.

Recommendation:

That you indicate which, if any, of the above names you wish us to approach to determine their availability for the UNDP job.³

Martin

Murphy

Peterson

Killefer

² In this January 28 note to Marshall Wright, attached but not printed, Bush endorsed Kissinger's memorandum, but expressed misgivings about Peterson's age. Bush recognized the need for "a vigorous new administrator" and for a tactful handling of Hoffman's replacement, and expressed his willingness to sit in on any meeting between Nixon and Hoffman.

³ Handwritten numbers on the names below indicate that Nixon's choices, in order of preference, were Peterson, Killefer, Martin, and Murphy.

254. Memorandum From the President's Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, February 23, 1971.

SUBJECT

The U.N. Development Fund

I sent you a memorandum (attached at Tab A) on January 27th,² recommending replacements for Paul Hoffman as director of the U.N. Development Program.

At George Bush's request, Peter Flanigan had several conversations with Mr. Andrew Overby, plus a meeting in Washington, to discuss his possible interest in replacing Hoffman. At the meeting in Washington with Overby, Marshall Wright of my staff was present. Overby is obviously well-qualified for this position. Currently a vice president in charge of international affairs for the First Boston Corporation, he was an Assistant to the Secretary of the Treasury from 1952 to 1957, during which time he was also U.S. Executive Director of the World Bank, and the U.S. Executive Director of the International Finance Corporation.

While no offer has been made to Overby, he is currently considering whether he would be willing to replace Hoffman if the offer were forthcoming. In light of this fact, would you wish to reorder your list of priorities as to candidates for this post?

Your previous ordering was:

1. Rudy Peterson
2. Tom Killefer
3. Graham Martin
4. Franklin Murphy

Action:

Make Overby number

Not interested in Overby³

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. No classification marking. Sent for action. A stamped note reads: "The President has seen."

² Document 253.

³ Neither option is checked, and Nixon wrote: "What is his attitude toward RN—I think he is rather dull from my recollection." A memorandum from Kissinger to Nixon, dated March 12, noted that Peter Flanigan had described Overby as "pompous if not dull." Nixon's handwritten notes on that memorandum struck out the names of Graham Martin and Franklin Murphy, reducing his choices to Rudy Peterson and Tom Killefer, in that order. He indicated that he did not wish to consider Overby for the position. (National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI)

255. Memorandum From Marshall Wright of the National Security Council Staff to the President's Assistant for National Security Affairs (Kissinger)¹

Washington, March 26, 1971.

SUBJECT

Replacement for Paul Hoffman at the UNDP

The President has chosen Rudy Peterson and Tom Killefer in that order. So far as I am aware, Secretary Rogers is not aware of the President's decision. Rogers has shown considerable interest in this matter. I suggest you inform him without delay of the President's choices.

We also need to find out if Peterson or Killefer will take the job. There is great doubt that Peterson will, and probably none unless the approach is a high level one. Therefore, Peter Flanigan suggests that you have Peterson in and that the two of you offer him the job on behalf of the President.

An alternative would be to have either Secretary Rogers or George Bush do so, or to have Peter make the offer alone.

In any event, Peterson should be approached without delay, and Killefer in turn if Peterson turns it down.

Unless you are personally interested in this, which I doubt, I suggest you ask Secretary Rogers to do this job.

Recommendation:

1. That you inform Rogers that the President wants Rudy Peterson or Tom Killefer as Hoffman's successor at the UNDP.
2. That you ask Rogers to find out if either will accept the nomination.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. Secret. Sent for action. An attached March 27 memorandum from Haig to Kissinger contains notes that indicate that Kissinger agreed to call Rogers and Flanigan, which was done by April 1.

256. Memorandum From the President's Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, April 21, 1971.

SUBJECT

Talking Points with Rudy Peterson

Secretary Rogers has spoken to Rudy Peterson, your first choice to replace Paul Hoffman as Head of the UN Development Program.² Peterson is reported to be on the verge of a decision. George Bush recommends that you call Peterson urging him to accept.³ I agree. Your personal intervention at this point could well be decisive.

I believe your efforts should be concentrated in getting him to accept the UN position. You should know, however, that Rudy is also attracted by the possibility that you might ask him to be the Coordinator of Development Assistance proposed in the foreign aid reform legislation which you just submitted to Congress. No one has suggested the notion to him—in fact, no one has done any systematic thought about any of the new jobs in the new structure—but Rudy is aware that he is an obvious candidate for the position of Coordinator.

If you decide to call Rudy, you might make the following points:
—The job is one to which you attach the highest importance.

—We want to rely increasingly on multilateral institutions for our aid efforts, as Rudy's Task Force itself recommended, but these institutions must be capable of handling the job. (You might note that you have just submitted the foreign aid reform legislation based on last year's report of Rudy's Task Force, and again thank him for coming up with such a new and imaginative approach.)

—The UNDP is central to this effort in the technical assistance area. It is currently undergoing encouraging reform and reorganization. This makes it especially crucial that we have a strong hand at the helm at this time.

—You believe Peterson is just the man, and would give him your full backing.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 300, Agency Files, USUN, Vol. VI. No classification marking. A stamped notation reads: "The President has seen."

² Secretary Rogers called Rudolph Peterson in California on March 30 at 3:18 p.m., and Peterson returned the call at 5:45 p.m. on April 12. (Private Papers of William P. Rogers, Appointment Books)

³ An attached memorandum from Bush to H. R. Haldeman, April 19, is not printed.

—If he agrees, we will move ahead. This will still entail getting U Thant's agreement to appoint him and Paul Hoffman's willingness to step aside. But we think we can do these things.⁴

⁴ Nixon's handwritten note at the end of the memorandum reads: "No—He must take it if he wants it—I shall not urge him—or anyone else on this position."

257. Telegram From the Mission to the United Nations to the Department of State¹

New York, June 18, 1971, 2208Z.

1653. Subj: Successor to Paul Hoffman.

1. U Thant told Amb. Bush June 17 that Paul Hoffman had indicated willingness to retire around end of the year. SYG also stated he would be willing to consider favorably Rudolph Peterson should US nominate him as successor.

2. Bush reviewed with SYG very confidential talk he had with Hoffman. Although Hoffman indicated willingness to retire late December–early January, Hoffman did not want word of this decision to become public for time being in order that he not be considered lame duck. Hoffman thinking about Oct 1 announcement. Bush reported Hoffman's view that David Morse should be appointed Acting UNDP Administrator for one year. Hoffman aware of possibility US might nominate Peterson but takes position Peterson could serve as Morse's deputy for a year while learning job.

3. Bush had called McNamara and apprised him of situation. McNamara had opposed idea of interim appointment and had strongly backed Peterson. With McNamara's concurrence, this view had been given to Hoffman in late May.

4. Pursuant to June 18 Secretary–Bush telcon, Bush is arranging U Thant–Peterson lunch early next week.

5. Lunch arranged for Peterson and SYG Monday, September 21, 12 noon. SYG insisted Bush be present.

Bush

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 301, Agency Files, USUN, Vol. VII. Confidential; Exdis.

258. Memorandum From the President's Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, August 5, 1971.

SUBJECT

Your Meeting with Rudy Peterson, Friday, August 6, 1971, 10:30 a.m.²

After a number of conversations with Secretary Rogers, Peterson has agreed to be the American candidate to succeed Paul Hoffman as Administrator of the UNDP. U Thant makes the actual appointment, but both he and the other governments concerned seem amenable to the Peterson candidacy. George Bush, Secretary Connally, and I will be present in addition to Peterson. There should be no photo opportunity.

Talking Points

1. Tell Peterson that you consider the UNDP job an important and difficult one, and are grateful to him for his willingness to take it on.

2. Assure him of your continued strong support for the idea of channeling more U.S. assistance into international development institutions.

3. For this to work, however, it is essential to make these institutions more efficient, for otherwise the Congress is simply not going to go along with the multilateral idea.

4. The UNDP has the key role in improving the efficiency of multilateral economic assistance.

5. Ask Peterson and Bush if they foresee any difficulties from U Thant or other countries in getting Peterson named as Paul Hoffman's successor.

6. Tell Peterson you understand that Hoffman may want to serve until the end of the year. Ask Peterson and Bush what their views are on the timing of the Peterson nomination.

7. Reiterate your full support for Peterson and your appreciation of his willingness to undertake this task.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 301, Agency Files, USUN, Vol. VII. No classification marking. Sent for action. A stamped notation reads: "The President has seen."

² The President met with Peterson, Secretary of the Treasury Connally, Bush, and Haig at the White House on August 6 from 11:06 to 11:38 p.m. concerning Peterson's appointment as Paul Hoffman's successor. (Ibid., White House Central Files, President's Daily Diary) No further record of this meeting has been found.

259. Telegram From the Mission to the United Nations to the Department of State¹

New York, September 8, 1971, 1246Z.

2573. Subject: UNDP.

1. MisOff called on various senior officials UNDP this AM for purpose of taking reading on state of program implementation and reaction SYG's intention replace Hoffman.

2. It is clear that Hoffman believes he was pressured in announcing timing his resignation by leak to *Washington Post* day after his luncheon discussion with U Thant. FYI. Hoffman formally announced his resignation to senior UNDP staff on Sept 1 to be effective Jan 15.

3. CV Narasimhan has announced his intention take over as full-time deputy effective Jan 1, 1972.

4. Consensus is that Narasimhan expects recommend restructuring HQs to Peterson for submission June 1972 session SC. Speculation is that he will propose combination bureau coordination with present set-up under Stephane Hessel and propose Hessel for combined post.

5. David Morse has informally indicated that if requested he would be willing continue his work with Technical Advisory Panel.

6. There is feeling that many of better people are angling for re-assignment to staff of new ASYG Paul-Marc Henry in Disaster Coordination. Feeling is that most eminent shift could be Stig Anderson now on detail to OTC if his personal problems can be worked out.

7. While US access project proposals not jeopardized pro tem, it is generally felt that program implementation at field level largely moving forward on basis of past momentum. Moreover, fluctuations in currency exchanges make it very difficult to rely upon expenditure levels for reasonable guesstimate of implementation rate.

8. One does not escape feeling that many eyes remain focussed upon action, intention, and indeed wishes, of USG in period of transformation. Obviously, many fervently hope that new administrator will enter on duty with new spark of energy, positive sense of direction, and enough fresh talent to personally give new impetus to organization where morale, perspective, and sense of mission require precisely that.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 301, Agency Files, USUN, Vol. VII. Confidential; Exdis.

9. In answer to Amb. Bush's direct question at lunch, U Thant stated that to best of his knowledge there was no "flak" or unfavorable reaction to Peterson nomination.

Bush

260. Telegram From the Mission to the United Nations to the Department of State¹

New York, September 15, 1971, 1600Z.

2669. Subj: UNDP—Future of Narasimhan. Ref: USUN 2573.²

1. Kittani (protect) advised MisOff that SG told him Narasimhan may not devote full time to UNDP commencing January. There is strong possibility he may be asked to remain on 38th floor until end of 1972 in order permit new SYG have benefit continuity.

2. Kittani said this indication had startled senior officials who attributed SYG's view to "static" in UNDP and rumors that Narasimhan not as wholly acceptable UNDP Administrator-designate as he himself had been confidentially reporting.

3. Kittani also indicated that significant voices insisting that no great powers should be members immediate cabinet new SYG. Alternatively it is being suggested that great powers be given responsibility for operation of "major departments," e.g. administration and management, economic and social affairs, etc., on theory that SYG no longer requires representatives these governments to have available continuing advice and/or counsel in re their positions.

4. FYI. If this development is correct USUN sees considerable credibility in earlier rumors that Kittani very respectable and formidable possibility for either post Deputy Administrator UNDP or Executive Secretary of UNIDO.

Bush

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 301, Agency Files, USUN, Vol. VII. Confidential; Exdis.

² Document 259.

261. Memorandum From the President's Assistant for National Security Affairs (Kissinger) to President Nixon¹

Washington, September 20, 1971.

SUBJECT

Your Meeting with Paul Hoffman, Tuesday, September 21, 1971, 11:45 a.m.²

Hoffman has been reluctant to retire as Chief of the UN Development Program despite the clear limitations which his 80 years impose on his effectiveness. We have, therefore, delayed this meeting until Rudy Peterson was established as his successor. Hoffman now seems reconciled to his retirement, which has been announced by U Thant to take effect January 15, 1972.³ Colonel Richard Kennedy will attend the meeting. There will be no photo opportunity.

Points Hoffman will raise—The importance to the Free World of strengthening the UN's economic and social functions. He will recommend that you press Congress for the full \$100 million we have asked for the UNDP. (For the last two years Congress has cut the request back to \$86 million each year. This year's final action is still pending.)

Suggest you be sympathetic with Hoffman, but non-committal on the \$100 million. (OMB Director Shultz is recommending a substantial reduction in our contribution to UNDP, in view of the limited number of other places in which cuts might be made in the foreign aid element of our new economic policy.)⁴

Points you can make

—Thank Hoffman for his long and outstanding service to the country and the international community.

—Indicate that you hope he will be willing to come down again around the end of the year for a more formal recognition of his superb services to the country.

—Say how happy you are to have found, in Rudy Peterson, a worthy successor to carry on Hoffman's great work.

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 301, Agency Files, USUN, Vol. VII. Confidential. Sent for action. "The President has seen" is stamped on the memorandum.

² The meeting was held at the White House between 11:48 a.m. and 12:14 p.m. No further record of the meeting has been found. (Ibid., White House Central Files, President's Daily Diary)

³ The UN General Assembly confirmed Rudolph Peterson's appointment as Administrator of the UN Development Program on December 14, 1971. Paul Hoffman retired as Administrator on January 15, 1972.

⁴ Nixon wrote "OK" in the margin next to this paragraph.

—Restate your view that multilateral institutions should increasingly be used for US assistance, if they show the capacity.

—Say you are encouraged by the reforms in the UNDP begun under Hoffman's leadership.

—Say you know Hoffman will do everything possible to make the transfer of responsibility to Peterson a smooth one.

262. Memorandum From Marshall Wright and John Lehman of the National Security Council Staff to the President's Deputy Assistant for National Security Affairs (Haig)¹

Washington, February 18, 1972.

SUBJECT

Congress and the UNDP

Attached at Tab A is a memorandum from the State Department asking White House assistance in ensuring a U.S. voluntary contribution to the United Nations Development Program (UNDP) for fiscal year 1972. Attached at Tab B is a letter to the President from Rudy Peterson expressing warm appreciation for the treatment of the UNDP problem in the President's recent State of the World Message to the Congress.²

We believe that State is absolutely correct on this issue. At the President's urging, Peterson has just taken over the leadership of the UNDP and was assured before doing so of the President's personal support for it. It is, therefore, hardly thinkable that the President would passively accept the Congressional gutting of the UNDP. Moreover, the UNDP is exactly the kind of UN operation we wish to encourage. It was our baby to start with. It is run by an American of our naming. It is controlled through a process of weighted voting and therefore subject to a large measure of U.S. control. It has caught on, and is now

¹ Source: National Archives, Nixon Presidential Materials, NSC Files, Box 303, Agency Files, USUN, Vol. X. Confidential. Sent for action.

² Tabs A and B are attached but not printed. Tab A is a February 16 memorandum from Executive Secretary Eliot to Kissinger. Tab B is a February 16 letter from Peterson to President Nixon. President Nixon's Third Annual Report to the Congress on United States Foreign Policy (February 9, 1972) is printed in *Public Papers of the Presidents of the United States: Richard Nixon, 1972*, pp. 194–346. The references to the UNDP are on pp. 330–331.

receiving very significant support from other members of the international community. That support is increasing at a very satisfactory pace, 17 percent in 1972, for example. We therefore believe that the White House Congressional people should be instructed to put the full weight of the White House behind the restoration of at least \$86.3 million for the UNDP in the Conference Committee recommendations regarding foreign aid legislation. The importance of that figure is that it is the current level of U.S. support and any reduction from it would be totally inconsistent with the President's Annual Report to the Congress and would be interpreted as a gesture of no confidence in Rudy Peterson.

Recommendation:

That you ask Clark MacGregor and Bill Timmons to make a maximum White House effort to ensure a voluntary contribution of no less than \$86.3 million for the UNDP in the foreign aid legislation for fiscal year 1972 and that you authorize John Lehman to ensure that White House views on this matter are presented with proper vigor.³

³ Haig wrote "done Haig Feb 18" next to the approve option.